

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division

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|-------------------------------------|---|-----------------------|
| COMPUNETIX, INC., |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | 1:20-cv-371 (LMB/MSN) |
| |) | |
| FEDERAL TRANSACTION SERVICES, INC., |) | |
| |) | |
| Defendant. |) | |

ORDER

On August 6, 2020, the assigned magistrate judge issued a Report and Recommendation (“Report”) recommending that a default judgment of \$485,592.00 be entered in favor of plaintiff Compunetix, Inc. (“Compunetix” or “plaintiff”) against defendant Federal Transaction Services, Inc. (“FTS” or “defendant”) for breach of contract under Pennsylvania law. At issue is the purchase price of certain computer equipment which defendant ordered from plaintiff and plaintiff subsequently delivered to defendant. The Report advised the parties that any objection to its findings of fact or conclusions of law had to be filed within fourteen days and that failure to file timely objections waives appellate review of any judgment based on the Report. As of August 23, 2020, neither party has filed an objection.

The Report correctly found that the Court has subject matter jurisdiction over this civil action pursuant to 28 U.S.C. § 1332(a) because the parties are citizens of different states and the amount in controversy exceeds \$75,000. Specifically, plaintiff is a corporation formed under the laws of Pennsylvania with its principal place of business in Pennsylvania, and defendant is a corporation formed under the laws of Delaware with its principal place of business in Reston, Virginia. The Report also correctly found that the Court has personal jurisdiction over defendant

both pursuant to Virginia's long-arm statute, Va. Code Ann. § 8.01-328.1(A), and consistent with due process requirements, because plaintiff alleges that defendant's principal place of business is in Virginia. Venue is likewise proper in this district pursuant to 28 U.S.C. § 1391(b) because plaintiff alleges that defendant's principal place of business is in Reston, Virginia, which is within this district. Lastly, the Report correctly found that plaintiff properly served process on defendant pursuant to Federal Rule of Civil Procedure 4(h) by serving a copy of the complaint and summons on an individual authorized by law to receive service of process on behalf of defendant.


Having fully reviewed the Report, case file, and plaintiff's Motion for Default Judgment, the Court adopts the findings of fact and conclusions of law contained in the Report as its own. Plaintiff having adequately alleged a breach of contract claim against defendant, plaintiff's Motion for Default Judgment [Dkt. No. 12] is GRANTED, and it is hereby

ORDERED that judgment be and is entered in favor of plaintiff Compunetix, Inc. against defendant Federal Transaction Services, Inc. in the amount of \$485,592.00.

The Clerk is directed to enter judgment in favor of plaintiff under Fed. R. Civ. P. 55, to forward copies of this Order to counsel of record for plaintiff and to defendant at its address of record, and to close this civil action.

Entered this 24th day of August, 2020.

Alexandria, Virginia



/s/ Leonie M. Brinkema
United States District Judge